

BEFORE THE ARIZONA CORPORA'I COMMISSION

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2	WILLIAM A. MUNDELL
]	Chairman
3	JIM IRVIN
	Commissioner
4	MARC SPITZER
	Commissioner
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Arizona Corporation Commission DOCKETED

MAR 2 5 2002

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N THE MATTER OF COLDWATER CANYON WATER COMPANY, INC., REQUEST FOR APPROVAL OF A CURTAILMENT PLAN TARIFF

DOCKET NO. W-01559A-02-0160

DECISION NO. 64668

ORDER

Open Meeting March 19 and 20, 2002 Phoenix, Arizona

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BY THE COMMISSION:

FINDINGS OF FACT

- On March 4, 2002, Coldwater Canyon Water Company, Inc. ("Coldwater Canyon" or 'Company') filed an application with the Commission requesting approval of a curtailment plan.
- Coldwater Canyon is a public service corporation, which serves development on the east 2. 16||side of Interstate 17 at Black Canyon City. The Company consists of three individual, noninterconnected water systems. Each system has its own series of wells, pumps, storage, and 18 distribution mains. The total customer base is 182 service connections.
- Coldwater Canyon is experiencing a severely declining water table in all of its wells. 3. 20 || Static water levels, which are normally 12 to 15 feet deep, have dropped to over 50 feet deep. The Company has lowered its pumps as much as possible, but since the wells are relatively shallow, the 22 gains on well production have been maximized. Continuing drought conditions and forthcoming summer demands will likely create the necessity for conservation and curtailment.
- The purpose of the curtailment plan tariff is to establish guidelines for the management 25 or restriction of water use by customers when Coldwater Canyon is experiencing a water shortage 26 emergency.
- The curtailment tariff proposed by Coldwater Canyon would work in stages and is 5. 27 28 presented as Exhibit A. The Exhibit represents the tariff as filed by the Company.

- Staff recommends approval of the curtailment plan, as filed by the Company. 6.
- 7. Staff further recommends that this curtailment plan become part of ADEO's Emergency Operations Plan for Coldwater Canyon.
- Staff further recommends that Coldwater Canyon notify its customers of this new tariff 8. 5 as part of its next regularly scheduled billing or no later than sixty (60) days after the effective date of this order.
- 9. Staff further recommends that Coldwater Canyon provide a copy of the curtailment 8 tariff to any customer, upon request.

CONCLUSIONS OF LAW

- Coldwater Canyon Water Company, Inc., is a public service corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.
 - The Commission has jurisdiction over Coldwater Canyon Water Company, Inc., and the 2. subject matter of the request.
- The Commission, having reviewed the request for approval of the tariff and Staff's 3. 15 Memorandum dated March 6, 2002, concludes that it is in the public interest to approve the 16 curtailment plan tariff.

ORDER

THEREFORE, IT IS ORDERED that Coldwater Canyon Water Company, Inc., shall be authorized to implement its proposed curtailment plan tariff.

IT IS FURTHER ORDERED that this curtailment plan tariff become part of the Arizona Department of Environmental Quality Emergency Operations Plan for Coldwater Canyon.

IT IS FURTHER ORDERED that Coldwater Canyon Water Company, Inc., shall not implement its curtailment plan tariff until all current customers of Coldwater Canyon have been given notice of this tariff.

IT IS FURTHER ORDERED that Coldwater Canyon shall notify its customers of the tariff 26 authorized herein as part of its next regularly scheduled billing or no later than 60 days after the effective date of this order.

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Decision No.

IT IS FURTHER ORDERED that Coldwater Canyon Water Company, Inc., shall provide 2 a copy of the curtailment tariff to any customer, upon request. IT IS FURTHER ORDERED that this Decision shall become effective immediately. 3 BY ORDER OF THE ARIZONA CORPORATION COMMISSION CHAIRMAN COMMISSIONER OMMISSIONER IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 25th day of 1/42ch, 2002. 10 11 BRIAN C. McNEIR 12 **Executive Secretary** .13 14 DISSENT:. 15 16 EGJ:LRH:jbc/JMA 17 18 19 20 21 22 23 24 25 26 27 28

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TARIFF SCHEDULE

EXHIBIT A

Utility: Coldwater Canyon Water Company, Inc.	Tariff Sheet No.: 1 of 3
Docket No.: W-01599A-02-0160	Decision No.:
Phone No.: (623) 374-5884	Effective:

Curtailment Plan For Coldwater Canyon Water Company, Inc.

ADEO Public Water System Numbers: 13-020, 13-192, & 13-202

Coldwater Canyon Water Company, Inc. ("Company") is authorized to curtail water service to all customers, residential and commercial, within its certificated area under the following terms and conditions:

Stage 1 Exists When:

The Company is able to maintain water storage in the system at 100 per cent of capacity and there are no known problems with its well production or water storage in the system.

<u>Restrictions</u>: Under Stage 1, the Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. The Company's total water storage or well production has been less than 80 per cent of capacity for at least 48 consecutive hours, and
- b. The Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

<u>Restrictions</u>: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 per cent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

<u>Notice Requirements</u>: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

TARIFF SCHEDULE

EXHIBIT A

Utility: <u>Cold</u>	water Canyon Water Company, Inc.	Tariff Sheet No.: _	2 of 3
Docket No.:	W-01599A-02-0160	Decision No.:	
Phone No.: _	(623) 374-5884	Effective:	

Stage 3 Exists When:

- a. The Company's total water storage or well production has been less than 50 per cent of capacity for at least 24 consecutive hours, and
- b. The Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions</u>: Under Stage 3, the Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 per cent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible.

Notice Requirements:

- 1. The Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, the Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at noticeable locations, such as well sites and at the entrance to the major subdivision (2) served by the Company.
- 3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 3.

Stage 4 Exists When:

- a. The Company's total water storage or well production has been less than 25 per cent of capacity for at least 12 consecutive hours, and
- , b. The Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

TARIFF SCHEDULE

Utility: Cold	water Canyon Water Company, Inc.	Tariff Sheet No.:	3 of 3
Docket No.:	W-01599A-02-0160	Decision No.:	
Phone No.: _	(623) 374-5884	Effective:	

(Stage 4 Exists When - continued)

<u>Restrictions</u>: Under Stage 4, the Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- ♦ The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- ♦ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

Notice Requirements:

- 1. The Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. The Company shall post at least two (2) signs showing curtailment stage. Signs shall be posted at noticeable locations, such as the well sites and at the entrance to the major subdivision served by the Company.
- 3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 4.

Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees.